

GOVERNMENT OF MYSORE.

FOOD, CIVIL SUPPLIES AND LABOUR DEPARTMENT (LABOUR).

Labour Dispute.—Industrial Dispute between the Workmen and the Management of Voltas, Ltd., 21, Kasturba Road, Bangalore-1

Award of the Additional Industrial Tribunal, Bangalore—Published.

Read the following papers:—

(1) Letter No. 1. T No. 597-3/67-68, dated 17th October 1967 from Shri V. C. Ramachandran Presiding Officer, Additional Industrial Tribunal, Bangalore.

**BEFORE THE ADDITIONAL INDUSTRIAL TRIBUNAL,
BANGALORE.**

Dated this 16th October 1967.

Present :

Sri V. C. Ramachandran, B.A., B.Sc., (London) Bar-at-Law,
... Presiding Officer

A.I.D. No. 31 of 1966

I Party.

vs

II Party.

Workmen of Voltas, Ltd., 21, Management of Voltas, Ltd.,
Kasturba Road, Bangalore-1. 21, Kasturba Road, Bangalore-21

Appearances.

For the I Party.—Sri K. P. Sachindranath, Trade Unionist.

For the II Party:—Sri V. L. Narasimha Murthy, Advocate,
Bangalore.

Reference

Government Order No. PLM 486 LLD 65, Bangalore, dated
25th November 1965.

AWARD.

This is a Reference by the Government of Mysore of an industrial Dispute between the Workmen and the Management of Voltas, Ltd., 21, Kasturba Road, Bangalore-1, under section 10 (1) (d) of the Industrial Disputes Act, 1947, made by their Order

No PLV 486 LLD 65, dated 25th November 1965. This Reference was transferred from the file of the Industrial Tribunal, Bangalore, to this Additional Industrial Tribunal, by an Order N. LMA 525 LLE 66, dated 17th December 1966, and it was registered as A. I. D. No 31 of 1966. There are as many as 16 demands made by the I Party workmen which have been referred to this tribunal for adjudication. The points of dispute referred are as per Annexure "A" to this award.

2. The II Party Company M/s Voltas, Ltd, which will hereafter be referred to as the Company, came into existence in the year 1954 as a result of collaboration between a Swiss Firm known as M/s Volkart Brothers, and the Indian Company M/s. Tata & Sons, Ltd. It has its Head Office at Bombay and Branches in various places and one at Bangalore, with which we are concerned. The main activity of the company so far as this Bangalore Branch is concerned, is the sale and servicing of the various Engineering products such as Electrical equipment, mining equipment, agricultural machinery and implements, Air condition and Refrigeration machinery, materials handling equipment etc. The manufacturing side of this Company is situated elsewhere at Thane and Chinchpokli. The workmen contend that the Company has been doing very good business as distributors of Engineering goods and also of Pharmaceuticals articles. It is in fact the sole distributor of certain Engineering commodities as well as pharmaceutical products. The company has been expending its activities to meet the growing demands for its various products in this country and in order to further its business it has opened branches in various places and the Regional office in Bangalore was opened in 1956. The Branch at Bangalore has been steadily increasing its turnover, gross profits and net profits year by year and due to the efforts of the workmen the company has built huge reserves and increased the quantum of dividends. It is therefore in a position to meet the demands and its financial capacity remains undisputed.

3. The workmen submit that they are entitled to a share in the prosperity of the company and under the Socialist pattern of Society, they should be given a fair wage which will enable them to meet their needs in life. They submit that there has been a change in the circumstances justifying a revision in the wage scales and although a living wage is at present unattainable, they are certainly entitled to at least a fair wage which is in keeping with the modern trend towards the establishment of a welfare

state. The minimum wage for a working class at the cost of living index of 399 at Bombay has been found to be about Rs 118/- for a family of 4 consumption units. The cost of living index has risen to about 690 and therefore the wage structure has to be revised on the basis of prices prevailing to-day.

4. The I Party Union was founded in the year 1957 to protect and promote the interest of the workmen. In the year 1958 a Settlement was reached with regard to the various demands put up by the Union between them and the management, and that settlement expired in 1960. Soon after another charter of demands was made by the Union in the year 1961 and after protracted negotiations for about 1½ years another settlement was reached in 1962 which again expired in 1964. The Union made demands again on 11th January 1965, but they were not concurred by the management and after prolonged discussion the charter of demands was referred to the tribunal by the Government of Mysore under Sec. 10 (2) of the Industrial Disputes Act, 1947.

5. The I Party contends that in view of the high prices prevailing they are entitled to proper wages in commensurate with the rise in the cost of living. The D. A paid by the Company does not fully neutralise the constant rise in cost of living. The workmen have been deprived of the weightage irrespective of the seniority, and the wage structure when compared to their counterparts in Bombay and other places, is very low although Bangalore is the costliest city in this country. The Company has standardised the scales of pay for some of its employees on an All India basis while they refused to do the same in the case of the workmen at Bangalore. There is a wide gap existing between the scales of pay prevailing at Bombay, Calcutta, Delhi and Bangalore, and the workmen contended that as the nature of work is the same all over India, and the company has a uniform price policy throughout the country there should be uniform wage scales.

6. The first demand is for abolition of the existing designations and introduction of three scales for the Clerical staff. They ask for higher start for Stenographers, Draftsmen, Salesmen, Technical Assistants and electricians, together with allowances. The 2nd demand is for re-classification and adjustments as no weightage has been given at the time of the settlement in 1958. The next demand is for full neutralisation of the rise in the cost of living with effect from 1st October 1964. They further state that the

working hours should be reduced and that the discrimination between the employees in the office and the employees in Golowna and Service station who work for 43 hours a week should be abolished. The workmen submit that 35 hours a week should be fixed as a maximum for the entire establishment. They want that over-time should be paid at double the rate over and above the normal working hours and when the worker is asked to go on a festival holiday, he should be given a compensatory off. They demand an alteration in the rate of Travelling Allowance, Lunch Allowance and ask for free lunch to be supplied to them. They further want Casual leave to be increased from 10 days to 12 days in a year and privilege leave on completion of 11 month service; and 30 days sick leave with a right to accumulate up to 180 days. Maternity leave and Special leave in the event of an accident during the course of employment, and that all the employees should get 18 holidays. Their dependents must also be given medical benefit by their own family doctors at the expense of the company. Promotions should be according to seniority. The last demand is with regard to uniforms which should be supplied to all Mazdoors, Packers, Carpenters, Drivers and Helpers.

7. The Company has resisted every one of these demands made by the workmen. The company does not manufacture any commodity in Bangalore, but carries on only trade and commercial activity with a small service station employing only about 25 workmen. In all there are altogether about 113 workmen in the Bangalore Branch. The Company contends that the settlements in 1953 as well as in 1962 were reached after both parties had fully considered the then prevailing circumstances and after taking into account the total emoluments paid to the employees in concerns of comparable size and engaged in comparable activities in Bangalore. The settlements were terminated by the Union and fresh charter of demands was made on 11th January 1965. The Company contends that there has been no material change in the circumstances which warrant any alteration in the service conditions of their employees. The wage scales are long-term arrangements and should only be altered if the circumstances are so materially changed as to warrant it.

8. The company states that the workmen have been receiving various benefits like bonus and increase in D.A. as a result of linking it to the cost of living index. About 41 per cent of the business of the Company consists of sale and distribution of imports

from abroad and 59 per cent due to the manufacture and distribution of products produced in this Company. Due to the drastic cuts and restrictions in imports, the business of the Company has been seriously affected. The Company states that the existing conditions of service and the emoluments are not only fair but liberal and compare very favourably with the service conditions in other comparable concerns. It is not true that the Company has built up huge reserves or increased the quantum of dividends. They submit that the present demands made by the Union are unreasonable, unjustified, particularly in the present state of uncertainty about the future. Any move to merely increase wages, according to the Company, will only result in inflation bringing in its wake misery and economic disaster to the community at large. An increase in wages without corresponding increase in productivity will only lead to inflation and its attendant evils of high prices and low purchasing power. The need-based wage is only an ideal impossible of attainment within the foreseeable future. The recommendations made by the 15th Labour Conference cannot be depended upon. At the start of the service of a workman only 2.25 consumption units can be taken into account and the calory intake should not be according to the Dr. Ackroid's formula as under Indian conditions it is very much less. The Company contends further that it is futile for the workmen to demand a revision of their emoluments because of living index as the scheme of D.A. in force compensates the employees for any rise in the cost of living. The basic wages paid by the Company are quite adequate and they have been fixed by virtue of a settlement entered into by the management and the workmen after prolonged negotiations and discussions. None of the workmen were deprived of any legitimate rights and dues. The workmen are not entitled to compare themselves with their counterparts in Bombay, Calcutta and Delhi. The Assistant Engineers and Technical Assistants employed by the Company are transferred from time to time and hence their wages have been standardised while in the case of workmen they are hardly transferred from one Branch to another. The Company submits that the demand for revision of scales and emoluments of the workmen on an All India basis is untenable and unjustified and violates the well known principles of wage fixation on the industry-cum-region basis. With regard to demand No. 1 the Company states that the efficiency bars which are sought to be removed are absolutely necessary in any satisfactory scheme of incremental scales. The Company further opposes abolition of the existing designations and

introduction of the three scales for all the employees. There is no justification for reclassification nor for higher start for Stenographers, Graduates and double graduates. The Salesmen are not workmen within the meaning of the Industrial Dispute Act, and therefore this tribunal, according to the Company, has no jurisdiction to fix their emoluments or to regulate their conditions of service. There is no need for revision of the scale of various categories of workmen as demanded by them. M. C. Rangiah has been already in the Carpenter's grade while Marappa is only a Packer. N. Jayavelu has already been working as a Packer while M. Rangiah and Doldiah are Mazdors and cannot be promoted as Packers. Allowances had been fixed after taking into account the nature of the duty performed by certain categories of employees and there is no justification in increasing or altering it. There is no justification in the demand for abolition of the present grades and introduction of new grades and resignation of mechanics and service men as their existing emoluments are commensurate with the nature of their work and the responsibility that they have to discharge. K. Maran does the work of a Mazdior and Janclaus and Bardar cannot be promoted as promotion is management's function in which the Union has no voice. The D.A. linked with the cost of Consumer Price Index (No 381 390 for Bangalore) and the demand for full neutralisation of D.A. has no basis. As it is, the workmen are getting substantial D.A., the minimum at present being Rs. 140. The Company states that there is a maximum of D.A. which is fixed at Rs. 350. Working hours are reasonable and any reduction would adversely affect the competitive business and result in higher cost. The existing arrangement regarding payment of over-time is fair and just and no change is called for. Nor is there any necessity to change the Travelling Allowance prescribed by the Company. The Lunch Allowance is given according to the settlements and the workmen cannot convert it to additional emoluments. The claim for free lunch cannot be granted as it is not in existence in any establishment. The Company opposes the demand for increase of existing Casual leave of 10 days to 12 days in a year and of Privilege leave for every 11 months of service for a calendar year instead of for every 12 months as given now. The provisions regarding Sick leave are ample and generous and no revision need be made. Nor is there any satisfactory reason for altering the Maternity leave, and holidays nor for granting special leave. The Medical scheme cannot be extended to the dependents nor can the family doctors

be allowed to treat the employees and the expenses to be reimbursed in full by the Company. The appointments and promotions have always been for the management to decide and cannot be dictated by the employees. Mere length of service cannot be the only factor to be taken into consideration for promotion which involves higher responsibilities. The Company provides uniforms to Attenders and Watchmen and that benefit cannot be extended to other employees. These demands according to the Company, are made by the workmen with a view to augment their emoluments. The Company prays that all the demands made by the workmen should be rejected.

9. The following issues were framed as arising out of the pleadings :—

" I Whether the wage structure and other conditions of Service should be kept in tact as prescribed by the Settlement dated 8th August 1962 between the parties in as much as there has been no material change in the circumstances warranting any modifications thereof, as alleged by the II Party Company ?

II As regards D.A., whether the Settlement dated 8th August 1962 had evolved a formula which was intended to and which took care of the fluctuations in the price index so that the employees might not suffer by reason of any rise in the cost of living index ? If so, whether the D.A. paid to the workmen at Bangalore Branch varied according to this formula ?

III If the capacity of the industry to pay is taken into consideration, whether the present total emoluments of the workmen of the Bangalore Branch are good and even generous and therefore the present demands made by the workmen are unreasonable and unjustified ?

IV Whether the Company's activities and particularly the activities of the Bangalore Branch are not labour intensive but largely depend upon the capital outlay and managerial supervision ?

V Whether the uniform All India price structure for the Company's products could be a reasonable justification for the uniform wage scales on an All India basis ?

VI Whether the salesmen are not workmen within the meaning of the Industrial Disputes Act? And as such, this tribunal has no jurisdiction to deal with the matter?"

10 The main point for consideration in this case is whether the wage structure and other conditions of service should be kept intact or whether they are liable to be changed. It must be remembered that there were two settlements between the parties, one in the year 1958 and the other in the year 1962 when there has been a revision of the wage structure and other conditions of service. The Management contends that the wage structure and other conditions of service must be given a fair trial and should be long-term arrangement and should not be subjected to interference. It is settled law that the wage structure and other conditions of service once fixed by agreement between the parties or by an award should not be subject to frequent alterations and revision can only be considered if there has been a change of circumstances between the last settlement or the award and the date of the demand by the workmen. The question therefore reduces itself to as to whether there are changed circumstances which warrant the disturbance of the wage structure existing in the company. The workmen on the other hand contend that there are changed circumstances to justify their demands for the alterations of the service conditions. In support of their contentions they point out that the changes during the last few years have been such that the demands made by them have become imperative. They state that during the last few years there has been a phenomenal increase in the cost of living. Secondly that the company has been having enormous prosperity in its business ventures a prosperity that they should of necessity share with their employees, and thirdly that the conditions of service in comparable industries in this region and also those of the employees who are their counter-parts in Bombay, Delhi, Calcutta and Madras show that they have been placed very unfavourably and not on a par with them, and lastly that proper weightage has not been given to those who have put in considerable years of service in the company. Those circumstances they contend, are sufficient justification for their agitation to have a revision of their service conditions.

11. The law on the subject of revision of the wage structure and other service conditions has been laid down in a number of decisions to which reference will be made later. Suffice it to say

that at present the law recognises the need for revision of the service conditions if (1) the circumstances have changed from the last revision (2) if the financial position of the company is such that it can support the employees by giving them what are known as fair wages and (3) that the quantum of fair wages should be determined with reference to the prevailing wage structure in other comparable industries in the same region. The Supreme Court has held that the workers are entitled to what is known as the subsistence or minimum wage irrespective of the fact whether the industry is making profit or not and that no industry which is incapable of paying its employees the minimum wage should exist. If the industry is prosperous then it should at least pay the minimum of the fair wage, the exact quantum to be determined after comparing it with similar industries in the region. In the instant case there can be no doubt that this industry is a prosperous one. The annual Reports published by the Company show an ever expanding business. In the year 1964-65 it should be seen from the Balance Sheet that the company had done exceedingly well and the results were better than in any of the previous years in spite of the economic uncertainties and the turn over increased to little over 42 crores of rupees and the gross as well as the net profits have been increased by nearly 19 lakhs of rupees after making full provision for depreciation. The profits that year which were available for disposal was 96.79 lakhs. In the year 1965-66 the turnover increased to 60 crores and the net profit increased to 81.86 lakhs. In view of this prosperity of the company it is but reasonable for the workmen to agitate for a higher share of those profits which they had worked to build up. We are however not concerned in this case with the entire set up of the company but only with a very insignificant part of it which is a Branch Office at Bangalore. This branch employs only about 122 employees and any addition to their emoluments will be in the nature of a flea bite and will not affect in anyway the economy of the company, nor will it have any repercussions on their counter parts in other regions because they are in a much more favourable position than those in Bangalore. It must at the same time be mentioned that the prosperity of the company is no reason for the workmen to make extravagant demands out of all proportions to the benefits enjoyed by other workmen in other concerns because it is not proper to entrench a privileged class of workers in the region. The mere fortune of having secured a job in a prosperous company should not put the worker in a higher pedestal than those in sister concerns. The workmen are entitled

certainly in view of the financial status of the company, to at least the minimum of a fair wage and reasonable conditions of service must be determined in comparison with other similar industries in the region.

12. One of the serious problems that confront industrial adjudication is fixation of wages and the determination of what amounts to a fair wage. The learned counsel for the I Party contended that the minimum wage is the same as the need based wage and has worked out a formula as per Ex. W 27 according to which the need based monthly requirements of a working class family consisting of 4 consumption units at the prices ruling in the month of May 1966 in Bangalore City is said to be Rs. 412.70. The criticism levelled against it is that a worker when he starts his employment and gets the minimum of the scale of pay will not have to support four persons but only 2.25, as his family will increase only after 8 or 10 years by which time he will get normal increments and a higher salary. The diet shown in Ex. W 27 according to the management, is not the one that is usually taken even by the middle class people and no working class man is used to such a rich diet, and besides the calory content of 2,600 is much more than the average intake of a working class family. If it is calculated at 2.25 unit per family, then it will work out to about Rs. 250 and if the calory content is reduced then it can be safely said that the need-based minimum wage at the prices prevailing to-day would be about Rs. 230. That could also be arrived at by a different process. The report of the Textile Labour Enquiry Committee has gone into the question of minimum wage for textile workers and found that it will be about Rs. 30 when the Consumer Price Index was about 100. The consumer price index has risen to 660 i. e., about 6.6 times and in order to neutralise, his present salary should be Rs. 30 plus Rs. 198 which comes to Rs. 228. Hence the minimum fair wage that a worker would be entitled to, if the industry could afford it, would be about Rs. 230 and any fixation of wage structure must take a note of this figure.

13. The wage structure as prevailing in the company is, if I may say so, extremely lopsided. The basic salary is low while the D. A. is extremely high. It looks as though the D. A. is the main-stay of the employees and not their basic salary. The D. A. given to the employees is out of all proportion to the basic salary. The original concept of D. A. was merely a temporary expedient to protect the worker from the steep rise in prices and later on it

was considered as a method of neutralising the rising cost of living. While it was meant only as an outer garment for protection against the vicissitudes of market fluctuations, it has now become the entire core of workmen's earnings and it is the D. A. that sustains him and not his basic salary. In spite of the fact that the D. A. given to the employees in the industry is fairly high, there is a demand to further increase it. The learned counsel appearing for the management states that there must be a ceiling put upon this D.A. That was opposed by the I Party who contends that it is beyond the jurisdiction of this tribunal in the absence of any specific demand or notice of change, to put a ceiling. In my view the entire matter is at large before this tribunal and when some formula has to be devised for D.A., it is open to the tribunal to put a ceiling on it. It is no doubt true that the Management cannot put a ceiling and change the conditions of service without giving a proper notice of change, but I do not find anything in the Industrial Dispute Act which prevents the Tribunal from putting such a ceiling even if there is no demand, when the issue of fixation of D.A. is before it. I shall therefore fix a ceiling of D.A. at Rs. 400/- per month. It was argued that it would deprive the workmen of the benefit of neutralising the rise in the cost of living if it goes beyond the present limit. But then it must be remembered that if there is such an increased rise in the cost of living there is nothing to prevent workmen from agitating for an increase in their basic salary after the period of the award has expired. In the same manner I would also put minimum basic salary at Rs. 40 - per month for an unskilled labourer as that would properly represent the minimum of fair wages taking into consideration Rs. 30/- was the minimum wage in the year 1936 or so and the minimum fair wage in the year 1967 cannot be below Rs. 40/- per month. For a middle class the usual estimation is that it must be 80 per cent more than the working class which will come to a minimum fair wage of Rs. 72. I propose to fix the minimum wage for the lowest unskilled labourer at Rs. 40 per month and for the lowest in the grade of clerks at Rs. 72 per month.

14. With regard to D.A. there has been already a linking with the cost of living. The scheme prevailing in the company is to take the consumer price index at 381.890 and to neutralise at 80 per cent for the first 100, 40 per cent for the second 100 and 20 per cent for the balance, keeping a minimum at Rs. 60 and the

variations in the percentage corresponding to every 10 point movement up and down in the index at 5 per cent, $2\frac{1}{2}$ per cent and $1\frac{1}{2}$ per cent respectively and the calculation to be made at Rs. 3 per 10 points. The claim of the I party workmen is for neutralisation at the rate of 100 per cent, 50 per cent and 25 per cent with the minimum of Rs. 77 as prevailing in Bombay branch. It has been held that 100 per cent neutralisation is not desirable as it might tend to inflation. The matter of D.A. is applicable to the Central Government employees was gone into in detail by the Gajendragadkar Commission and a report has been published of the findings of that commission and they have recommended that the percentage of neutralisation for a 10 point rise in the average of the index above 175 at 90 per cent up to Rs. 109, 55 per cent up to 209 and 45 per cent up to Rs. 339 and the amount of D.A. for a 10 point rise from Rs. 6 to 9. In as much as D.A. is meant only to protect the employee against the rise in the cost of living, I do not see why the formula arrived at after great thought bestowed on it by the Gajendragadkar Commission should not be followed and I would therefore prescribe the D.A. at the index figure of 371-380 as follows:—

For the first 100 basic salary, 90 per cent and 5 per cent for variation at 10 points, for the second 100 at 50 per cent and variation at $2\frac{1}{2}$ per cent and for the balance at 25 per cent and variation for 10 points at $1\frac{1}{2}$ per cent, minimum being kept at Rs. 50 and the amount at Rs. 3 for 10 points rise provided that no person should get more than Rs. 400 as D.A. in any month.

15. The question still remains un-answered as to whether there are circumstances which warrant a revision of the service conditions. As stated before, the I. Party has pointed out the various circumstances to justify their demands. Those circumstances are fully borne out by the evidence produced in this case. It cannot be disputed that there has been a tremendous rise in the cost of living in Bangalore City. The consumer price index today stands somewhere near 740 while the base was only 371-380. The enormous increase in the cost of living points out the necessity for the revision of the wage structure. Secondly the company has been prospering and the demands put forth by the workmen are not such as to upset the economy of the industry. As stated before, it is a very small burden which the company may have to bear. The company is said to be one of the top few in India and so far as its capital structure, reserves and the status

which it commands in the industrial world, it is next to none in this country. In volume 12 of the Magazine called 'we' in the year 1966" these observations are made about Voltas:—

"Today Voltas is ranked as the 17th amongst 51 corporations with largest total assets in the private sector in India. Our total turnover which amounted to 8 crores in 1954 rose to 46 crores in 1961-65, whereas in 1954 our sales consisted almost entirely of imported materials and equipment. By 1961-65 about 60 per cent of our total turnover represented goods manufactured in our own country. Today we hold 187 representatives and handle over 700 different products."

The third circumstance which justified a revision is the prevailing conditions in similar industries in the region. Some of which although not so financially well off, are able to provide better emoluments to their employees. It must be remembered that a contented class of workers is itself an asset to the company which can be cashed by greater production and less industrial interruptions in production. These are, to my mind sufficient criteria for looking into and revising the service conditions of the industry. At the same time, as stated before, the workers cannot claim to be a privileged class among the workers in general and in as much as in many respects the company has treated the employees generously, I do not purpose to make any violent change in the pattern prevailing in the industry but propose to smoothen out the rough edges wherever it is found suitable, keeping in mind the minimum salary and the maximum D. A. mentioned above.

16. I may cite a few authorities in support of the view taken by me in justifying minor changes in the service conditions of the industry and not subjecting them to any drastic variations. In 1959 (1) LLJ 431 at page 444 between the Lipton, Ltd., and their employees, the following principles have been approved by the Supreme Court for fixation of wages.—

(1) In fixing the rates of wages the capacity of the industry to pay is one of the essential circumstances to be taken into consideration except in cases of bare subsistence or minimum wage where the employer is bound to pay the same irrespective of such capacity.

(2) The capacity of the industry to pay is to be considered on an industry-cum region basis after taking a fair cross section of the industry.

(3) The capacity of the industry to pay should take into account the elasticity of the demand for the products, the possibility of the tightening up the organisation and the possibility of the increase in the efficiency of the lowest paid workers. No doubt, against the ultimate background that burden of the increased rate should not be such as to drive the employer out of business."

In 1958 (I) LLJ 1 at page 6, the following principles have been enunciated.—

"Tough social and economic justice is the ultimate ideal of industrial adjudication, its immediate objective in an industrial dispute as to the wage structure is to settle the dispute by constituting such a wage structure as would do justice to the interest of both labour and capital, would establish harmony between them and lead to their genuine and whole-hearted co-operation in the task of productions. It is obvious that co-operation between capital and labour would lead to more production and that naturally helps national economy and progress. In achieving this immediate objective, industrial adjudication takes into account several principles such as, for instance, the principle of comparable wages, productivity of the trade or industry, cost of living and ability of the industry to pay. The application of these and relevant principles leads to the constitution of different categories of wage structures."

The last decision is the one reported in 1962 (II) LLJ 744 decided by the Supreme Court of India in the dispute between the French Motor Car Co., Ltd., and their workmen. Their Lordships state at page 750 as follows.—

"Generally adjustments are granted when scales of wages are fixed for the first time. But there is nothing in law to prevent the tribunal from granting adjustments even in cases where previously pay scales were in existence, but that has to be done sparingly taking into consideration the facts and circumstances of each case. The usual reason for granting adjustment even where wage scales were formerly in existence is that the increments provided in the former wage scales were particularly low and therefore justice required that adjustment should be granted a second time."

17. For the reasons stated above and in view of the law on the subject I propose to affect some minor changes in the service conditions of the industry and for that purpose I shall take into consideration the demands, one by one in seriatum.

18. One of the arguments advanced by the learned counsel for the management is that there have been recent settlements between the management and the workers as per Exhibits W33 and M25 in 1958 and in 1961 respectively and that it is too early to affect another revision. Apart from there being change of circumstances since 1961 owing to the phenomenal increase in the cost of living, it must be stated that the two settlements are more in the nature of a demand and an acceptance or refusal by the management and not an agreement between the parties. It would be noticed in both the settlements that the management simply said "Not accepted" which means that in respect of matters not covered by acceptance by the management there has been no agreement between the parties and hence there could not have been any settlement with regard to those matters. Besides, this is the first time that the matters have come up for adjudication and as is well known, the bargaining powers of the management and the workers are not always well balanced. In my view therefore these two settlements are no bar to further revision of the service conditions.

19. The company is unique in its character as there is no comparable concern within this region dealing in similar products with the same capital structure and earning the same profits and having the same status in the industrial life of the country. As a matter of fact in the pamphlet "100 largest companies in the private sector in India" the following observations are made:—

"It was also indicated that Voltas had shown a remarkable growth rate as its sales were relatively high in relation to its paid up capital and assets. In 1964-65 Voltas jumped by two places in rank by sales as there was substantial improvement in its sale figure from 32.42 crores in 1963-64 to 42.23 crores in 1964-65."

It ranks ninth among the top 10 companies in India, TISCO being the first and Hindustan Motors, the last among the 10. All India companies with which it can compare favourably so far as the paid up capital and assets are concerned, are ESSO, Dunlop Rubber Co, and Hindustan Lever. But these companies do not deal with the same products as Voltas and therefore cannot be

called comparable industries. The Management however, has adduced evidence of some industries which can be said to be comparable to Voltas. It would be remembered that Voltas so far as its Bangalore Branch is concerned, is not a manufacturing concern but it is only a distributing Agency. It is by no means labour intensive and most of them who are employed are white-collared employees and not many of them are manual labourers. None of these are engaged in any productive activities which increases the sum total of the wealth of the country. The management have adduced evidence of certain similar concerns although their paid up capital and assets are no where near those of Voltas. These Companies are also distributing Agents in Bangalore and their service conditions can be compared with those of Voltas. The three comparable concerns which are financially not in the same grade as Voltas but deal in business similar to that of Voltas are Addison Company, Batliboy & Co., and Parry & Co. If at all the service conditions in Voltas should be no worse than those three because of the greater resources and of the larger profits it has been making. At any rate, it cannot be denied that the Voltas employees are entitled at least to those service conditions prevailing in those three industries which are also engaged in distribution of either machinery or pharmaceuticals. The management have examined officials from these three industries and they have given the service conditions that prevailed there. In fixing the service conditions of Voltas those prevailing in these industries may be taken into account.

20. My answer to the issues framed in view of what is stated above, is as follows :—

(1) Wage Structure and other conditions of service require minor alterations as mentioned in the following award.

(2) The D. A. paid to the workmen at Bangalore Branch should be varied according to the formula given in the award keeping the maximum at Rs. 400 which is the maximum prevailing in the Madras Branch of the company and which is also settled between the parties of the Bombay Branch pending adjudication.

(3) The present total emoluments of the workmen of the Bangalore Branch are good and even generous although they require slight modifications, with regard to the minimum wages and other service conditions.

(4) The activities of the Bangalore Branch are not labour intensive but depend upon capital outlay, managerial, supervision and co-operation of the workmen.

(5) It is not desirable to have uniform wage scale on an All India basis and the Supreme Court has consistently held that wages should be fixed on industry-cum-region basis and not on an All India basis. It is true that some employees of the Company viz., Engineers and technicians have all an uniform wage scale but that is because they are liable to be transferred from one place to another. But the policy of the company so far has been not to transfer the workmen from one region to another and therefore the question of having a uniform wage scale on an All India basis is neither justifiable nor feasible.

(6) The question as to whether Salesmen of the company come within the meaning of 'workmen' under the Industrial Disputes Act, has been the subject matter of some controversy between the parties.

It will be noticed from the appointment order of salesmen and from other documents produced that the main business of the Salesmen of the company is canvassing for orders and clerical work that they undertake is only of an incidental nature. I would refer to the appointment order of M. A. Thomas as per Ex. M6 which says that he is authorised to canvass for maintenance service for standard units and self-containing air conditioners on certain sales commission. In view of the appointment order it is idle for the salesmen to contend that they are 'workmen'. The Supreme Court has held that whether a person is a workman or not although he is designated as Salesman, should be spelt out from the circumstances of each case. If his work consists largely in canvassing orders for the company, he cannot be considered as workman although incidentally he may have to do some clerical work. Besides these salesmen some of whom have been examined in this tribunal, have given evidence to the effect that they receive a large sum of money as commission. Thomas who has been examined as W.W.8, states that he reports to office daily, attends to office and telephone calls, goes out and meets the clients and writes reports to the office. He received as commission for the period between 1st September 1965 to 31st August 1966 a sum of Rs. 5,220 which shows that a large portion of his earnings is by way of commission and not as wages. The authorities also show that in those circumstances they cannot be

considered as workmen and not be entitled to the benefits under the Industrial Disputes Act. In 1961 (11) LLJ 94, at page 97 the following observations are made:—

"A Workman" is defined as any person employed in any industry to do any skilled or unskilled manual or clerical work for hire or reward. Therefore, doing manual or clerical work was necessary before a person could be called a workman. It was consistently held that the designation of the employee was not of a great moment and what was of importance was the nature of his duties. If the nature of the duties is manual or clerical, then the person must be held to be a workman. On the other hand, if manual or clerical work is only a small part of the duties of the person concerned and incidental to his main work which is not manual or clerical, then such a person would not be a workman."

The duties of the Salesmen in the company are mainly to book orders and reporting to the company is only incidental to the main work to be performed by the salesmen. In my view they cannot be considered as workmen and this court has no jurisdiction to fix their service conditions and that is my finding on Issue No. 6.

21. In view of what is stated above and bearing in mind the minimum wage and the maximum D.A. and comparing the wage scales and other service conditions prevailing in Addison & Co., Parry & Co., and B. Lihoy & Co., I make the following award in respect of the various demands raised by the I Party Union.

I. Demand No. 1. Scales and Grades—

There is no reason to disturb the three grades of Clerks and one Selection Grade as settled in 1961 Settlement.

Scale (1) Which is for Telephone Operator-cum-Receptionists, Filing and Despatching Clerks and existing Non-metriculantes doing clerical work, is fixed at Rs. 75-5-00-7-½-150-10-200.

Scale (2) for Clerks, Typists and Stenographers:—Rs. 90-5-150-7½-200-10-250 EB-15-800.

(Stenographers will start on a basic salary of Rs. 110 per month in that grade).

Scale (3) For Clerks, Typists and Stenographers:—Rs. 150-10-200.15-300-EB 20 400.

Selection Grade:—Rs. 250 20-300-EB-25-400.

- (a) The demand for re-designation is, in my view not justified and the same designation will continue in the absence of proper reasons for changing them
- (b) The question of promotion is purely managerial function and the demand of providing 15 per cent of the existing employees in scale (3) cannot be granted.
- (c) For the reasons above, promotions to scale (2) is left to the management and no directions could be given. Similarly in the case of demand No 1 (d).
- (e) As already answered, Stenographers will start on Rs. 110 and Rs. 150 in Scale 2 and 3 respectively.
- (f) There is no separate scale for Draftsmen and it is left to the management to fit them into any scale.
- (g) Salemen are not workmen and therefore their case cannot be considered by this tribunal.
- (h) No particular reason is given as to why increment should be given to Graduates and Double Graduates as demanded. But under the Settlement they are entitled to two increments if appointed in the lowest clerical grade.

2. Mechanics:—

So le (1) : s. 75-5-100-7½-150-EB-10-200.

Scale (2) Rs. 90-5-150-7½-200-10-250.

Scale (3) Rs. 1.0-5-200- ½-250-10-300 (For Erectors)

3. There is no separate scale for Daf'aries.

4. Drivers .—Rs. 60-5-100-7½-150-10-200.

5. Carpenters:—Same as scale (1) and scale (2) for Mechanics.

6. Packers	}	Rs. 45-3-60-5-100
7. Mazdoors		
8. Watchmen		
9. Attenders		

So far as all the persons mentioned in Notes to demand (1) is concerned, that is matter left to the management and no

directions can be given. It may however be stated that according to the Administrative Assistant Shankumni, M. W. 11, N. C. Rangiah has been already placed in the Carpenter's grade while Mariappa is still a Packer, Jayavelu has been promoted already as a Packer While Rangiah, Ganesh and Doddiah are still Mazdoors. No reason is shown as to why there should be an enhancement in the Cycle and other Allowances already settled under the old agreement Ex M 25. I do not propose therefore to make any alterations nor is there any case made out for modifications in the allowances.

Demand No. 10.—The next demand is with respect to re-designation of Mechanics, Servicemen and Erectors. But there seems to be no rational behind this demand except perhaps a touch of snobbery. The persons referred to are actually doing Mechanics' job and there is no reason why they should be called anything else. There is no separate grade for Erectors or Service Representatives nor for Helpers. They will be fitted into the grades mentioned above for Mechanics. In the absence of any need for a fresh grade, the demand made under I (i) is refused. So also the demand under I (ii) as there is no separate grade for Helpers and they have to be fitted in the other grades mentioned above. They may be done by taking their present salary, length of service and with the consultation, if possible, with the Union.

22. I do not propose to reclassify the employees nor is there any case made out for such reclassification. But in view of the fact that the grades have been revised, some weightage should be given to the employees who have put in some length of service and who would have reached the scale proposed to be given now. In order that there should not be any disadvantage and that they should not be equated to those who have put in a lesser number of years of service, I direct that those who have put in 5 years of service would be entitled to one increment and those who have put in 10 years of service, to two increments. If their wages fall in between the two slabs, they shall be stepped up. With these observations *Demand No. 2* is disposed of.

Demand No. 3.—The D. A. payable to the employees has already been set out above and for the reasons stated therein, the D. A. will be payable as follows :—

When the Consumer Price index for Bangalore is in the bracket of 381-390, for the first 100 neutralisation at 90 percent and variation at 5 per cent for every 10 points. For the second 100 neutralisation at 45

per cent and variation of $2\frac{1}{2}$ per cent at every 10 points and for the balance neutralisation at $22\frac{1}{2}$ per cent at variation of $1\frac{1}{2}$ per cent for every 10 points, the minimum D. A. being Rs. 50 and the maximum D. A. being Rs. 400 and the variation to be calculated at Rs. 3 for every 10 points. The index to be used for determining the bracket, will be the one established for the previous month, and done declared by the Government.

Demand No. 4 — Working Hours.

The demand for 5 days a week, Saturdays and Sundays being weekly holidays, is not prevalent in any of the industries in the region and therefore cannot be granted. The working hours for the Staff is as it is really low as they work only for $36\frac{1}{2}$ hours per week and no case is made for reducing it. The Service Stations and Godown working hours are 48 hours per week and that may require some reduction as the other industries in the region have lesser working hours for similar employees.

As I have said before, when comparing this industry with Parry & Co., Best & Co., Addison & Co., and Batliboy & Co., the Addison Co., works from 8 A.M. to 12-30 P.M. and 1-30 to 5-30 P. M. a week on week days and 8 A. M. to 1 P. M. on Saturdays, totalling to $47\frac{1}{2}$ hours per week, Parry & Co., works from 9-45 A.M. to 5-30 P.M. with a break of $\frac{1}{2}$ hour for lunch on week days and between 9-45 A.M. to 1-30 P.M. on Saturdays which comes to 40 working hours per week. In Batliboy & Co., the working hours are from 9-30 A.M. to 6 P.M. with one hour's break on week days and 9 A.M. to 1 P.M. on Saturdays which works out to $42\frac{1}{2}$ hours per week. Best & Co. works between 10 A.M. to 5 P.M. with lunch break of one hour and on Saturdays between 10 A.M. and 2 P.M., which comes to 34 hours per week. It seems to me therefore that compared to other industries the working hours for the Godown and Service Station workers are long and are reduced from 48 hours per week to 46 hours per week. The time during which they should work may be fixed by the management in consultation with the Union, if possible.

Demand No. 5 — Over-time Allowance.

The practice prevailing with regard to over-time is that they are paid double if the total work exceeds 48 hours per week, the

salary being divided by 200 hours. The demand now made is that every requisition for over-time work beyond the normal working hours should be paid at double the normal rate. That appears to be the practice in other similar comparable industries. In Addison & Co., over time is calculated at double the normal wages and the demand for double the wages for over-time seems to me to be reasonable and should be accepted. But there is no necessity to give compensatory off as demanded by the workmen nor is there any necessity to alter the calculation of the over-time wages which is prevailing at present.

Demands Nos. 5 (d), (6), 11 (b) (a), 12, 13 and 14 have been settled under a settlement between the All India Voltas and V Kart Employees' Federation, Bombay, and the management of Voltas, Ltd., and the award in respect of these demands will be as per the settlement, a copy of which is annexed to this Award.

Demands Nos. 7 and 8.—No company in this region is giving free lunch to its employees and the demand for free lunch cannot be granted. Nor are they entitled to higher lunch allowance as the present allowance paid to the employees seems to be reasonable and the employees cannot be expected to make profit out of the lunch allowance. The H.M.T. gives only Re. 1 for lunch, Bathby Rs. 1-50. Voltas also give Rs. 1-50 to the Clerical Staff and Re. 1 for the workers which need not be disturbed.

Demand No 11.—The leave granted by the Company seems to be very reasonable except for some minor changes. The privilege leave is for 30 days for staff as well as for Service Station and Godown workers, from 4th year onwards and three weeks for those who have put in less than 3 years service. That compares favourably with Addison & Co., who give only 14 days and Parry & Co., which gives only 12 days and for more than 5 years service, 18 days. The General Holidays are 18 for Office Staff and only 7 days for Godown and Service Station employees. The workers in the Public Sector get between 12 and 13 days as General holidays while Parry & Co., gives 3 General Holidays and the Addisons have 14 paid General Holidays which includes the National holidays. Bathby have 15 days General holidays. The General Holidays granted to the workers in the Godown and Service Station when compared with other industries and also to other employees in the same industry is low and the General Holidays for the Godown and Service Station is increased to 10 days while keeping that for the staff at 18 days intact. The Casual leave to the employees

of the Voltas is 10 days per annum while in Batliboy it is 7 days and in Addison it is 12 days. Therefore there is no need to increase the Casual leave nor can the casual leave be granted without prior permission except in cases of emergency. The employees should not be allowed to avail more than 3 days casual leave at a time. The Sick leave and other leave facilities given by Voltas compare favourably with the other industries in the region and require no alteration. Therefore the demand made in respect of other kinds of leave is rejected.

Demand No. 15.—The question of appointment and promotion are managerial functions and I do not propose to lay down any direction. It is hoped however that promotion will be on the seniority-cum-merit basis and any particular grievance of an individual employee could always be agitated if it is based upon discrimination or unfair labour practice. Demand No. 15 is therefore rejected.

Demand No. 16.—The last demand i. e., demand No. 16 is in respect of uniforms. The company provides 3 sets of uniforms to Attenders and Watchmen per year and two turbans to the watchmen in a year and one set of woollen uniform to watchmen once in 4 years. Uniforms are generally given to those workmen whose clothes get soiled by virtue of their occupation. Taking that circumstance into consideration I do not see why the other workmen whose clothes are liable to get soiled should not also be provided with uniforms. The Godown Mazdoors and Packers are also entitled to 3 sets of uniforms. The Drivers are also entitled to 2 sets of uniforms. There is no practice of giving shoes in any similar industries in the region and that demand cannot be accepted.

23. In the result, the Reference is allowed in part and the award will be in the manner set herein above. The next question for consideration is as to when the award is to become effective. Normally it should be from the date when the award becomes enforceable and there is no reason to depart from the normal practice. It must also be remembered that the previous agreement between the parties was very recent in the year 1961 which lasted for 3 years up to 1964. Besides some of the demands made by the workmen are to say the least, very extravagant and the management is justified in refusing some of these demands. As the award will become effective only during the course of about end of this year and in order to enable the industry to systematise the directions

given in the award, I fix the date on which the award becomes effective as 1st January 1968. The new grades and wage structure will come into effect from 1st January 1968 and any employee who is not fitted into the grade mentioned above will be fitted in by the management taking their length of service and their present emoluments after consultation, if possible, with the Union. I may mention that the industries with which I have compared, are in a much lower financial position than the Voltas which is so to say, an unique company in this region having no comparable industries. The Voltas must therefore give a lead to the other industries in the region and with that view the terms that I have settled, are more favourable than those prevailing in those concerns. It is to be hoped that the workers of the I Party Union will try the scheme for some time before starting any other agitation with their charter of demands, and co-operate with the Management in attaining greater prosperity in future.

24. As each party has succeeded in part, I direct each party to bear its own costs.

V. C. RAMACHANDRAN,
Presiding Officer,
Additional Industrial Tribunal,
Bangalore-2.

ANNEXURE. "A".

GOVERNMENT OF MYSORE.

Bangalore, dated the 25th November 1965.

ORDER.

WHEREAS the Government of Mysore are of opinion that an Industrial Dispute exists between the workmen and the management of Voltas, Ltd., 21, Kasturba Road, Bangalore-1, on the points noted below;

NOW THEREFORE, in exercise of the powers conferred by clause (d) of sub-section (1) of Section 10 of the Industrial Disputes Act, 1947 (Central Act XIV of 1947), the Government of Mysore hereby refer the said dispute for adjudication to the Industrial Tribunal at Bangalore.

POINTS OF DISPUTE.

Demand No. I—Scales and Grades.

The existing Grades and Scales should be abolished and the following Scales and Grades should be introduced with effect from 1st October 1964.—

1. Office Assistant, Telephone	Scale I—100-8-140-12-224-15-314.
Operators—cum—Receptionists,	„ II—200-15-260-20-400
Stenographers, Filing Assistants.	„ III—300-20-340-25-440-30 590.

Notes :—

- (a) The present Clerks and clerk-cum-typists should be redesignated as Office Assistants, and Despatch/Filing Clerks as Filing Assistants.
- (b) 15 per cent of the existing employees falling under Scales I to III should be given scale III strictly according to seniority.
- (c) 30 per cent of the existing employees falling under Scales I to III should be given scale II strictly according to seniority.
- (d) The rest of the employees falling under Scales I to III should be put in Scale I.

- (e) Stenographers should be started on a basic salary of Rs. 140 per month in scale—I.
- (f) Draftsmen should be started in scale II.
- (g) Salesmen should be started in scale II.
- (h) Graduates and double-graduates should be given two and four increments in their respective grades.

2. Technical Assistants	...	300-20-340-25-440-30-590.
3. Daphtaries	...	75- -10 -8-1, -10-200
4. Drivers	...	80-5-1 0-8-140-10-200
5. Carpenters	...	95-5-115-7-143-8-207
6. Packers	...	65-1-51-5-101-6-125
7. Mazdoors	...	50-3-65-1-85-2-115
8. Water men	...	55-3-64-80-1-1.0
9. Attenders	...	60 3-65-1-85-5-115

Notes:—

- (a) Messrs. N C. Rangiah and C. Marappa should be placed in Carpenters' Grade.
- (b) M/s. N. Jayavelu, M. Rangiah, B. K. Ganesh and D. Doddiah should be placed in packers' Grade.
- (c) Attenders/Mazdoors/Packers going out on cycles should be paid an allowance of Rs. 15 per month.
- (d) Daphtaries/Attenders working on duplicating machine should be paid an allowance of Rs. 15 per month.
- (e) Employees relieving Telephone Operator cum Receptionist should be paid an allowance of Rs. 15 per month.
- (f) Attenders/Mazdoors/Packers handling cash should be paid an allowance of Rs. 15 per month.
- (g) An allowance of Rs. 15 per month should be paid to drivers for washing cars/vans

10. Service Representatives/Erectors.

- (a) The Mechanics/Servicemen drawing wages in the existing scale 2 should be redesignated as Service Representatives and given the following scale with effect from 1st October 1964:—

Rs. 150-10-180-15-205-20-345.

- (b) The employees drawing wages in the existing Scale 3 should be redesignated as Erectors and given the following scales with effect from 1st October 1964.

250-20-330-25-455-30-515.

11. (a) Mr. M. S. Kumaran working as Helper should designated as Helper and given the scale of Rs. 65-4-51-5-101-6-125 with effect from 1st October 1964.
- (b) The existing vacancies of Helpers should be filled in M/s. E. Jani claus and A. Sarjar and given the above scale of—
Rs. 65-4-51-101-6-125.

DEMAND No. II

Reclassification and Adjustment.

- (a) All employees covered under Demand No. I should given increments in their respective grades as under—
- | | |
|--|-------------|
| 3 to 5 years of service as on 1st October 1964 ... | 1 increment |
| 6 to 10 years of service as on do ... | 2 do |
| Above 10 years as on 1st October 1964 ... | 3 do |
- (b) While re-classifying all employees in the above demanded scales and grades, the Union should be consulted.
- (c) After reclassification, existing wages of employees should be brought up to the minimum in the above demanded scales and then given increments.
- (d) After adjustments if the wages of any employees fall in between two slabs, he/she should be stepped up.

Demand No. III

Dearness Allowance —The existing scheme of Dearness Allowance should be revised on the following lines with effect from 1st October 1964 and applied to all employees working under Bangalore Branch.—

When the Consumer Price Index Number for Bangalore is in the Bracket of 581-350

For the 1st 100 basic wages 150%	Variation 5% for every 10 points
For the 2nd 100 basic wages 75%	Variation 2½% for every 10 points
For the balance Basic wages 87½%	Variation 1½% for every 10 points
Minimum D. A. Rs. 87	Variation Rs. 3 for every 10 points.

Demand No. IV

Working Hours.—The following working hours should be applied to all employees working under Bangalore Branch.

Five day a week Saturdays and Sundays should be weekly holidays.—From 9-15 a. m. to 1-00 p. m. and 1-45 p. m. to 5-00 p.m. (85 hours a week).

Demand No. V

Overtime.—(a) Whenever any employee is required to work overtime beyond normal working hours he/she should be paid overtime at double the normal rate.

(b) If any employee is called upon to work overtime on holidays and/or weekly offs, he/she should be paid overtime at double the normal rate and also given compensatory off.

(c) While calculating Overtime wages, the total emoluments of an employee should be divided by his/her normal working hours in a month to arrive at the rate per hour.

(d) Whenever drivers are called upon to go out of station, they should be paid overtime in excess of their normal working hours at the above rate.

Demand No. VI

Travelling Allowance—The following travelling batta and class of travel should be paid to employees when detailed for out-station duties.—

	Daily Batta	Class of Travel	Incidental and Conveyance at respective places
1	2	3	4
Employees earning monthly basic salary of Rs. 300 and above.	Full day Rs. 16 Half day Rs. 8	I	Actuals
Employees earning basic salary of Rs. 150 to Rs. 299 per month.	Full day Rs. 13 Half day Rs. 6.50	I	Actuals

1	2	3	4
Employees earning basic salary of Rs. 75 to Rs. 149 per month.	Full day Rs. 11 Half day Rs. 5.50	I	Actuals
Employees earning basic salary up to Rs. 74 P.M.	Full day Rs. 9 Half day Rs. 4.50	Day II Class. Night I Class.	Actuals

Full batta should be paid for every 24 hours from starting time and for any balance hours on the day of return, batta paid as follows:—

Half a day's batta if balance is more than 6 hours but less than 12 hours, full batta if balance is more than 12 hours.

Demand No. VII

Local Bhatta/Luch Allowance.—Employees detained for out door duty within Bangalore Corporation limits and are not able to come back to their place of duty by lunch time, should be paid a lunch allowance of

Rs. 2.50 per day ... for clerical, technical and service staff.

Rs. 2.00 per day ... other

Demand No. VIII

Free Lunch.—Arrangements should be made by the Company to provide decent mid-day meals to all employees at its cost.

Demand No. IX

Leave.—The existing leave rules should be abolished and the following procedure introduced.

1. **Casual Leave.**—12 days casual leave in a year with full pay should be granted to all employees. This leave should be allowed to be prefixed and/or suffixed to weekly offs and/or holidays; and if desired converted into and/or combined with any other leave.

No reason or prior permission should be demanded for casual leave. Employees should be allowed to avail of 3 days casual leave at a time.

2. Privilege Leave.—30 days Privilege leave for every 11 months of service with a right to accumulate up to 90 days should be granted to all employees. This leave should be allowed to be prefixed and/or suffixed to weekly offs and/or holidays; and if desired converted into and/or combined with any other leave. This leave must be allowed to be availed of for any number of days with a minimum of 5 days at a time.

An employee should be given an option of cashing his/her privilege leave at the time of discharge/resignation/retirement.

3 Sick Leave.—30 days sick leave on full pay per year should be granted to all employees with a right to accumulate up to 180 days. For this purpose, this demand should come into force with retrospective effect from 1st January 1958. This leave should be allowed to be combined with or converted into any other leave and also to be prefixed and/or suffixed to weekly offs and/or holidays.

56 days half pay sick leave in a year prevailing at present should continue.

4. Maternity Leave—The existing procedure of granting 12 weeks maternity leave with full wages should continue.

5 Special Leave.—(a) 12 days Special Leave with full wages should be granted to three delegates from the Union to attend the meetings of the All India Voltas and Voltas Employees Federation. This leave should be allowed to be prefixed and/or suffixed to Weekly off and/or holidays.

(b) If an employee meets with an accident while on duty, he should be granted special leave with full wages up to the period he is able to resume duty.

Demand No. X

Holidays.—The existing 18 holidays in a year should be made applicable to all employees working under Bangalore Branch.

Demand No. XI.

Medical Scheme.—The present scheme should continue, but the benefit should be extended to employees families and dependents as defined in the Voltas, Ltd. Provident Fund Rules.

Employees shall have the option to get treatment from any doctor of his/her own choice who shall be a Registered Medical Practitioner. The bill issued by such a doctor should be met in full by the Company.

Demand No. XII

Enlarged Medical Benefits Scheme.—The sub-clause 3 (d) and 3 (e) of the Medical Benefits Scheme introduced on 1st January 1960 by the Company should be abolished and the following inserted in their place.

3 (d) Reimbursement to any one employee relating to a period of any one time shall not exceed 50 per cent of the Medical expenses incurred.

3 (e) The reimbursement to any one employee during a calendar year shall not exceed Rs. 150. Arrangement should be made to reserve 3 beds in Hospital for employees who need hospitalisation.

Demand No. XIII

Superannuation.—All employees should be superannuated at the age of 60 years.

Demand No. XIV

Gratuity.—One month's salary including D. A. for every year of service should be paid to all employees in cases of death, mental or physical disability to continue in service, resignation, termination of service, retirement or leaving employment for any reason whatsoever. The gratuity should be calculated on the basis of last drawn salary including D. A.

Settlement for gratuity should be unqualified.

Demand No. XV

Appointment and Promotion.—No direct appointment should be made except to the lowest scale. All vacancies in the higher grades and also in the Supervisory posts should be filled in from the existing staff according to seniority.

Demand No. XVI

Uniforms.—Four pairs of Service dresses should be given to each of the service representatives and erectors, every year.

Godown Mazdoors and Packers should be provided with 3 pants and 3 shirts per year per head.

Helpers should be given four pairs of service dresses each.

Watchmen, Attenders, Drivers, Mazdoors, Packers and Carpenters should be provided with one pair of shoes every year, each.

[No. PLM 486 LLD 66.]

By Order and in the name of the Governor of Mysore,

G. G. PUROHIT,
Under Secretary to Government,
Labour and Municipal
Administration Dept.

"True Copy"

V. C. RAMACHANDRAN,
Presiding Officer,
Additional Industrial Tribunal,
Bangalore.

ANNEXURE 'B'

MEMORANDUM OF SETTLEMENT.

As a result of the discussions held between

The Management of Voltas Limited (hereinafter referred to as 'The Company') represented by Mr. S. C. Bakshi and Mr. A. A. Gajendragadkar

and

The All India Voltas and Volkart Employees Federation (hereinafter referred to as 'The Federation') represented by Mr. F. A. P. D'Souza, Mr. N. R. Sen and Mr. C. P. N. Nair.

The Charter of Demands dated 3rd August 1965 submitted by the General Secretary of the Federation and covering the concerned employees of the Company's Establishments all over India, has been settled on the following terms:—

1 *Demand No. 1.—Age of Superannuation.*—It was agreed by the Company that with effect from the 15th of December 1965, the age of superannuation of the employees would be raised from 58 years (as at present) to 60 years. Accordingly, the six month's notice of superannuation given to the employees will henceforth be given on their attaining the age of 59½ years.

2 *Demand No. 2.—Gratuity.*—There will be no improvement or amendment of the existing terms and conditions relating to the payment of 'gratuity' by the Company.

3 *Demand No. 3.—Medical Benefits*—The following improvements in the provisions made in Clauses 3(d) and (e) of the existing Medical Scheme will come into effect from 15th December 1965:

3(d) Reimbursement to an employee relative to a period of illness at any one time on all counts shall not exceed 50 per cent of the medical expenses incurred or Rs. 50 (rupee a fifty) whichever is lower.

3(e) The maximum reimbursement to any one employee during one calendar year would be Rs. 75 (Rupees seventy-five).

4 Demand Nos. 4, 5, 6 and 7—*Travelling Bhatta, Leave, Five-day week and Free Lunch.*—(a) These matters, though stated in the Federation's Charter of Demands, were not discussed between the parties as the items did not fall within the scope of the subjects covered by the terms of recognition of the Federation.

(b) As regards the request of the Federation to grant Special Leave to the delegates from constituent unions to attend the meetings of the Federation, the Company made no commitments at present but agreed to discuss the matter further with the Federation.

5 It was agreed that this settlement will come into effect as from 15th of December 1965 and shall remain in force for a period of two years from that date. It will also continue thereafter until the expiry of two months' written notice of termination that may be given by either party.

Signed at Bombay this 16th day of December 1965.

For and on behalf of the
**ALL INDIA VOLTAS & VOLKART
EMPLOYEES FEDERATION**
(Sd.) C. P. N. Nair,
Asst. Secretary.

For and on behalf of
VOLTAS LIMITED
(Sd.) S. C. Bakshi,
Manager,
Central Personnel Dept.

(Copy)

(Sd.) K. S. Subrahmanya
Party I

(Sd.) V. S. Sankunni,
Party II

"TRUE COPY"

V. C. Ramachandran,
Presiding Officer,
Additional Industrial Tribunal,
Bangalore.

(On Rs. 3 Stamp Paper)

MEMORANDUM OF SETTLEMENT

(Under Section 18(1) of the Industrial Disputes Act, 1947.)
Names of Parties :

- (1) Voltas Limited, 19 Graham Road, Ballard Estate, Bombay-1 (hereinafter referred to as the 'Company')
- (2) The All India Voltas and Volkart Employees Federation, 19, Graham Road, Ballard Estate, Bombay (hereinafter referred to as 'The Federation').

Representing the Company :

1. Mr. S. C. B. B. bi, Departmental Manager, Central Personnel Department, Voltas Ltd., Bombay.
2. Mr. A. A. Gajendragadkar, Industrial Relations Officer-Voltas Limited, Bombay.

Representing Workmen :

- | | |
|---------------------------------------|--|
| 1. Mr. F. A. P. D'Souza, President | } The All India Voltas & Volkart Employees Federation. |
| 2. Mr. N. R. Sen, General Secretary | |
| 3. Mr. C. P. N. Nar, Asstt. Secretary | |

Short Recital of the Case :—

The All-India Voltas and Volkart Employees Federation submitted a Charter of Demands on 3rd August 1965 for various items amongst which were travelling bhatta and class of travel. The overtime for drivers sent to jobs away from their headquarters was also discussed by mutual consent of the parties. After discussions, the following settlement has been arrived at :—

TERMS OF SETTLEMENT**1 Travelling Bhatta & Class of Travel**

It is hereby agreed that the following schedule of Daily Bhatta an

Class of Travel will be introduced with effect from 1st January 1967 :—

Basic Salary	Normal Bhatta	Bhatta for Metropolitan towns.	Class of travel	Incidentals
Up to Rs. 74.	Rs. 6.00	Rs. 7.50	II (If the particular train does not have Class II, then by Class I)	At actuals
Rs. 75 to Rs. 149	Rs. 8-50.	Rs. 10.50	II by day I by night. (If night travel is involved in the same journey or if the particular train does not have Class II, then Class I by day also)	do
Rs. 150 to Rs. 299	Rs. 10.50	Rs. 12.50	I	do
Rs. 300 & above	Rs. 12.50	Rs. 15.00	I	do
Salesmen	Rs. 12.50	Rs. 15.00	I	

NOTE:—(1) Bhatta for Metropolitan towns will be payable to employees deputed to work outside their headquarters at Bombay, Calcutta, Madras, Delhi, Bangalore, Secunderabad, Ahmedabad.

(2) Branch Managements/Divisional/Departmental Heads will have the discretion to permit Bhatta at the Metropolitan Towns rates for other places also if sufficient justification is found which would be determined from case to case.

(3) If any individual employee is entitled to a higher bhatta or higher class of travel at present, he will continue to get the same but new employees in categories concerned will be governed by the Bhatta Schedule as above.

II. Overtime for Drivers sent to jobs away from their Headquarters:—

1. If a driver is sent on a job away from his headquarters and is asked to work beyond his normal periods of work, he will be paid overtime at the following rate:—

(a) If the overtime goes beyond the normal total duty hours per day/per week but within the limit of 9 hours per day or 48 hours per week, he would be paid overtime at single rate.

(b) If a driver is asked to work overtime beyond 9 hours on any day or 48 hours in any week, the overtime would be at the rate applicable to his establishment.

2. He will also be paid overtime for work before 6 a.m. in the morning and after 8 p.m. at night.

3. If the driver is completely off duty for more than 2 hours such period will not be counted as hours of duty and will be treated as recess.

The Federation agrees to direct its constituent Unions to withdraw any dispute on the above two subjects pending before any tribunal, Conciliation Officer or any other authority. These disputes will be treated as having been settled in terms of this settlement. This Settlement will supersede all the existing settlement on these points at the Branches/Offices of the Company. Accordingly, negotiations at any of the Branches on the above two subjects will be discontinued.

It is agreed that this settlement will come into effect as from the 1st of January 1967. It will remain in force for a period of two years from this date (27th April 1967) and will continue thereafter.

until the expiry of two months' written notice of termination that may be given by either party.

Signed at Bombay this 27th day of April 1967.

VOLTAS LIMITED

**For the ALL INDIA VOLTAS &
VOLKART EMPLOYEES
FEDERATION,**

(Sd). A. A. Gajendragadkar.
Industrial Relations Officer.

(Sd). N. R. Sen,
General Secretary.

Witnesses: (Sd) Robin Roy Witnesses: (1) (Sd) A. C. Raghavan
(Sd) R. K. Mathur. (2) (Sd). B. Ramamoorthy.

(Copy)

Sd. K. Subrahmanya,
Party I.

(Sd.) V. S. Sankunni,
Party II.

" TRUE COPY "

V. C. Ramachandran,
Presiding Officer,
Additional Industrial Tribunal,
Bangalore.

ORDER

Bangalore dated 28th October 1967.

S. O. 2099.—WHEREAS by State Government Order No. PLM 498 LLD 65, dated 25th November 1965 the Industrial Dispute between the Workmen and the Management of Voltas, Ltd., 21, Kasturba Road, Bangalore-1, was referred to the Industrial Tribunal, Bangalore for adjudication.

AND WHEREAS this reference was transferred to A. I. Tribunal, Bangalore by G. O. No. LMA 595 LLE 66, dated 17th December 1966.

AND WHEREAS the Additional Industrial Tribunal, Bangalore has submitted to the State Government its award in respect of the said industrial Dispute;

NOW, THEREFORE, in exercise of the powers conferred by Section 17 of the Industrial Disputes Act, 1947 (Central Act XIV of 1947), the Government of Mysore are pleased to direct the publication of the said award as above, in the *Mysore Gazette*.

(No. PLM 486 LLD 65.)

By Order and in the name of the Governor of Mysore,